

Lithuanian Independence: Costly

Lithuanian independence from the Soviet Union is likely to carry prohibitive costs, even if Soviet President Mikhail S. Gorbachev drops his demand for \$33 billion in compensation. The Lithuanian parliament declared the nation a sovereign state last week. But Lithuania depends on shipping manufactured goods — engines, machine tools and television sets — to the rest of the Soviet Union, a captive market for items that are shoddy even by the standards of Eastern Europe and a source of cheap raw materials in return. With just 3.7 million people, Lithuania is too small to attract Western investment, said Jan Vanous, research director of the Planecon consulting firm. "The Soviet Union can live without Lithuania, but Lithuania can't live without the Soviet market," he summed up.

